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Approved For Release 2004/03/22 : CIA-RDP91N00696R009300140004-1

22 October 1975

MEMORANDUM FOR: Director of Strategic Research

SUBJECT : Initial Comments on the Taylor Report

- 1. This is a prodigious effort, packed with valuable information and ideas that are probably quite novel even to experienced intelligence professionals. One quick reading to expedite circulation provides the opportunity to hit only a few main points.
- 2. The real purpose of the study is not made explicit. Presumably it is to get some crucial recommendations into the hopper before congressional and higher executive thinking begins to jell. My own very random and limited sampling of sentiment in those quarters suggests that this report could indeed guide the thinking that affects our future if it is fairly widely disseminated. If held very closely in the White House, the National Security Council Staff, the Department of State, and DOD it will probably not, in itself, have much impact. Some of its recommendations may jibe with concepts already under consideration or may be taken up by more senior officials and peddled as their own, not necessarily a bad development. But I have the distinct impression that the alarums, arguments, and testimonies of recent months have tended to erode the respect in which even "friends of intelligence" in Congress and the executive branch hold the senior professional establishment of CIA and the Intelligence Community. More than anything, this is a result of:
 - a. The fact that the DCI has had to respond honestly to so many contending critics and constituents that he cannot end up right with any of them; and
 - b. The fact that the DCI is not, or is not regarded as, an alley fighter in a town full of them.

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Just or unjust, this decline in standing is going to mean that the professional leadership of CIA is unlikely to be intimately consulted on reform. Wider dissemination of this report or some version of it might help to reverse the trend, because comparably constructive thinking is not evident elsewhere, at least to me.

- 3. One wonders, in light of the above concerns, why the DCI did not endorse the report more warmly. He is clearly taking a hands-off posture.
- Given the inverted decision tree around which the report's recommendations are structured, the most crucial issues arise when Option Two's four variants are considered, opposite Page 85. Leaving the choice as between B and C open is very puzzling when, it seems to me, there is no real choice; one must choose B. A and C both have the grave deficiency of separating analysis from human and technical collection. already have enough problems with the present degree of separation, and it is in no small way to blame for the misdemeanors that have caused our present crisis. Analysis, collection, and covert action should be more tightly linked, not more separated. As between B and D, D is a non-starter for the reasons stated: The DGI would have too strong a competitor in the D/FIA. fact, when you consider that the report leaves the real relationship of the DGI to NSA, DIA, the service intelligence components, and INR still rather obscure, Variant D could move the whole arrangement back toward Option One. Under Variant B, the DGI could still use the D/FIA as his principle spokesman to the NSC on substantive matters and on certain clandestine activities about which he is likely to be more closely informed. The cosmetic problem with Variant B is that, in essence, it could be seen by outsiders as a DCI with greatly enhanced community power plus a DDCI for running CIA, i.e., not much change.
- 5. An external perspective will perceive little novelty in the recommendations of the report. Much more radical options are likely to be raised when the Congress and the President finally face off over the intelligence structure that, as the report rightly says, will be with us for the next generation. Although the judgments of the report on more radical options are probably sound enough, they are too faint to be audible

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in the prevailing din. They take as obvious, given, and agreed considerations of which the real decisionmakers are only dimly aware, or actually at odds. The spectrum of possibilities that will probably get some serious airing will range from the Independent Monolith, perhaps presided over by a politically accountable Secretary for Intelligence and a more long-tenured Permanent Under Secretary or DGI. Alternatively, there may be some sentiment for putting the clandestine service, covert action, and much analysis in State, while placing all technical collection and military intelligence in DOD -something like the British system. Returning to an earlier point, I believe it will take more visible and audible toughness on the part of the professional intelligence establishment to assure that its views are even considered.

The report raises, but chooses not to treat, two major external factors bearing on the future health of the intelligence function in this republic: security and public understanding. These, once mentioned, are properly the subject matter of another treatise. the study also raises a third "external" factor in occasional asides or in major points treated but briefly, e.g., the need of the DCI for Presidential confidence and the need of the Intelligence Community for information on current US foreign and military policy. third factor is the larger institutional setting within the executive branch, the national security policymaking framework within which intelligence functions. simple fact is that the Nixon-Kissinger Administration has effectively dismantled the national security decisionmaking establishment at the top. The players are all there spinning their wheels, buried in meaningless paper, or attending as caretaker administrators to the permanent concerns of their bureaucracies. But on the truly vital issues, the Secretaries of State, Defense, and Treasury either run independent operations or are locked in increasingly personal combat. No structural reforms to intelligence are going to work their intended effects unless these court politics are undergirded once again by an institutional structure. Moreover, I believe it can be convincingly shown that many of the recently asserted failings of intelligence derive in large part from the disarray of the national security establishment at large: the PFIAB's problems with uncertainty and net assessment arise because the NSSM arena is not working;

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SALT negotiating and compliance problems because nobody knows what is really going on; intelligence failures past and God knows what future disasters looming because the system is too uptight to let information get around or to think boldly.

- Perhaps this point is overdrawn. I do not think so. It deserves scrutiny and, once reached, our position deserves airing. "Good soldiering" will not preserve the confidence of the executive hierarchs because there is precious little left. The professional establishment of intelligence will probably not incur greater peril by speaking out.
- The report properly devotes a good deal of attention to the problem we know by the name "national and tactical." But one quick reading of the text and annex on the subject leaves me with a sense of incompleteness, and possibly of misconception. The report observes that new collection technology is eroding the distinction between national and tactical intelligence. One might also add that new weapons technology is eroding the distinction between national or strategic and tactical operations. But when a barrier is broken down, which way does the water really flow? The sense of the report is that, in the main, new national collection assets will have direct tactical application; hence, the intimate participation of DOD in national programs is a must and the DGI as community leader must be chosen over the monolithic alternative.
- I am not sure that things are actually going this way. The dual trends of weapons and intelligence technology, combined with other trends in command and control and operational doctrine (e.g., limited nuclear options) are all working toward tight centralization of all operational decisions in Washington. It may be that some variant on the Monolith is, indeed, the way to go, not only because it is more likely to assure the required degree of centralization, but because it will take one very strong authority solely concerned with intelligence to assure that tactical commanders get what they still need. In other words, it may require very strong centralization of policy to assure that service or output is appropriate to both increasingly dominant centralized need and to continuing needs of non-central, or tactical, users. The choice is not

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between degrees of centralization but between degrees of effectiveness in a world of mixed central and non-central requirements, where the former have the upper hand.

These are but the most tentative thoughts. But in the face of the kinds of change -- so obscure yet fundamental -- taking place in our environment, the proposition that DOD will not like something cannot be a prima facie case against it.

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